

SECURITIES AND EXCHANGE COMMISSION
Release No. 34-78975

September 29, 2016

Order Extending a Temporary Exemption from Compliance with Rules 13n-1 to 13n-12 under the Securities Exchange Act of 1934

I. Introduction

The Securities and Exchange Commission (“Commission”) is extending certain exemptions previously granted in connection with requirements applicable to security-based swap data repositories.

On March 18, 2016, pursuant to its authority in Section 36 of the Securities Exchange Act of 1934 (“Exchange Act”), the Commission granted a temporary exemption from compliance with Exchange Act Rules 13n-1 to 13n-12 until June 30, 2016, and at the same time extended exemptions from Exchange Act Sections 13(n)(5)(D)(i), 13(n)(5)(F), 13(n)(5)(G), 13(n)(5)(H), 13(n)(7)(A), 13(n)(7)(B), 13(n)(7)(C) and 29(b) that had been provided in the DFA Effective Date Order¹ (“SDR Relief”). The Commission’s March 18, 2016 order provides that the SDR Relief will expire on the earlier of (1) the date the Commission grants registration to an SDR or (2) June 30, 2016.² The Commission granted those exemptions to help facilitate the potential submission of SDR applications.

On June 30, 2016, the Commission extended the SDR Relief until October 5, 2016 to allow it additional time to review and consider issues related to the applications to register with

¹ See Temporary Exemptions and Other Temporary Relief, Together with Information on Compliance Dates for New Provisions of the Exchange Act Applicable to Security-Based Swaps, Exchange Act Release No. 64678 (June 15, 2011), 76 FR 36287 (June 22, 2011) (the “DFA Effective Date Order”).

² See Exchange Act Release No. 77400 (Mar. 18, 2016), 81 FR 15599 (Mar. 23, 2016) (“March 2016 SDR Section 36 Order”).

the Commission as SDRs submitted by DTCC Data Repository (U.S.) LLC (“DDR”) and ICE Trade Vault, LLC (“ICE Trade Vault”).³

To allow the Commission additional time to review these applications prior to the compliance date for Rules 13n-1 to 13n-12, as currently amended, (“SDR Rules”) and the expiration of the SDR Relief, the Commission is extending the exemptions granted in the June 2016 order.⁴

II. Discussion

The SDR Rules Release⁵ states that SDRs were required to be in compliance with the SDR Rules by March 18, 2016. The SDR Rules Release also notes that, absent an exemption, any SDR must be registered with the Commission and in compliance with the federal securities laws and the rules and regulations thereunder (including the applicable Dodd-Frank Act provisions and all of the SDR Rules).⁶ Rule 13n-1(c) provides that, within 90 days of the date of the publication of notice of the filing of an application for registration (or within such longer period as to which the applicant consents), the Commission will either grant the registration by order or institute proceedings to determine whether registration should be granted or denied.

Two entities have filed applications to register with the Commission as SDRs. ICE Trade Vault filed with the Commission a Form SDR seeking registration as an SDR on March 29, 2016 and amended that form on April 18, 2016. The Commission’s notice of ICE Trade Vault’s

³ See Exchange Act Release No. 77699 (Apr. 22, 2016), 81 FR 25475 (Apr. 28, 2016) (“ICE Trade Vault Notice”) and Exchange Act Release No. 34-78216 (June 30, 2016), 81 FR 44379 (July 7, 2016) (“DDR Notice”).

⁴ This relief applies to Rules 13n-1 to 13n-12 as amended, including amendments to Rule 13n-4 adopted by the Commission on August 29, 2016. See Exchange Act Release No. 78716 (Aug. 29, 2016), 81 FR 60585 (Sept. 2, 2016).

⁵ See Exchange Act Release No. 74246 (Feb. 11, 2015), 80 FR 14438 (Mar. 19, 2015) (“SDR Rules Release”).

⁶ See *id.*, 80 FR at 14456.

application for registration as an SDR was published in the Federal Register on April 28, 2016.⁷ The comment period closed on May 31, 2016. To date, the Commission has received six comment letters on the ICE Trade Vault application.

DDR filed with the Commission a Form SDR seeking registration as an SDR on April 6, 2016 and amended that form on April 25, 2016. The Commission's notice of DDR's application for registration as an SDR was published in the Federal Register on July 7, 2016.⁸ The comment period closed on August 8, 2016. To date, the Commission has received four comment letters on the DDR application.

Subject to certain exceptions, Section 36 of the Exchange Act⁹ authorizes the Commission, by rule, regulation, or order, to exempt, either conditionally or unconditionally, any person, security, or transaction, or any class or classes of persons, securities, or transactions, from any provision or provisions of the Exchange Act or any rule or regulation thereunder, to the extent that such exemption is necessary or appropriate in the public interest, and is consistent with the protection of investors. The Commission finds that it is necessary and appropriate in the public interest, and consistent with the protection of investors, to grant a temporary exemption from compliance with the SDR Rules and extend the SDR Relief. The commenters on the DDR and ICE Trade Vault SDR applications have raised issues that require further review and consideration. The Commission does not believe that the October 5, 2016, compliance date provides sufficient time for adequate consideration of the comments and any possible amendments to the respective applications.

Therefore, to allow the Commission additional time prior to the compliance date for the

⁷ See ICE Trade Vault Notice.

⁸ See DDR Notice.

⁹ 15 U.S.C. 78mm.

SDR Rules and the expiration of the SDR Relief to review the first applications for registration of SDRs and consider issues related to those applications, the Commission hereby grants, pursuant to Section 36 of the Exchange Act, a temporary exemption from compliance with the SDR Rules and an extension of the SDR Relief until April 1, 2017.

By the Commission.

Robert W. Errett
Deputy Secretary